

**Testimony of Kurt M. Campbell
Assistant Secretary of State
Bureau of East Asian and Pacific Affairs
U.S. Department of State**

**Before the
House Committee on Foreign Affairs
Subcommittee on Asia, the Pacific, and the Global Environment**

March 3, 2010

“Regional Overview of East Asia and the Pacific”

Mr. Chairman, Representative Manzullo, and Members of the Subcommittee, thank you very much for inviting me here today to testify about the vital importance of Asia-Pacific countries to the United States and for the opportunity to underscore key aspects of our engagement strategy for the region.

I would also like to take this opportunity to highlight and thank Representative Faleomavaega for his leadership in advancing both awareness of the importance of the Asia-Pacific region and of our 15-million strong Asian-Pacific Diaspora. This community truly makes America an Asia-Pacific power. Through their hard work and perseverance, many of the original Asian immigrants – who often fled persecution, war, and poverty – have educated and raised a new generation of Asian-American leaders. A look at President Obama’s cabinet reveals the success of this new generation with three members whose heritage is intimately tied to the Asia-Pacific; I speak of Secretaries Locke, Chu, and Shinseki. We are also led by a President who is, in many ways, our first Pacific President -- his ties to the region stretch from Hawaii to Indonesia. Asian-Americans have had successful careers serving in public office and have been revolutionary figures in business, the medical sciences and information technology. I look forward to working with you, Mr. Chairman, and with Members of this Subcommittee to find ways to continue to underscore the importance of this community to America, particularly during this year’s Asia-Pacific American Heritage month in May.

There should be no doubt that the United States, itself, is a Pacific nation. In every regard -- geopolitically, militarily, diplomatically, and economically -- Asia and the Pacific are indispensable to addressing the challenges and seizing the opportunities of the 21st century. As the Asia-Pacific century emerges, defining the new international environment, the United States must enhance and deepen its strategic engagement and leadership role in the region.

Even though we face challenges in other parts of the world, arguably the most significant geopolitical events of the 21st century are playing out in the Asia-Pacific. The rise of new powers – India and China – and their interactions with the existing order and established powers, such as Japan and the United States, pose both significant opportunities and challenges. Using history as a guide, we recognize that over the past 500 years the rise of new powers has sometimes caused conflict with existing powers. However, the probability of conflict need not destine us for conflict. Instead, a comprehensive strategy that creates space for new powers can ensure that they emerge peacefully and in a way that bolsters, rather than undermines, the international system.

Animating the calculation that the emergence of new powers necessitates conflict is an assumption that the U.S. is a nation in decline, soon to be eclipsed by new and rising powers. Nothing could be further from the truth.

We are the world's most powerful economy, a global magnet for higher education, a trendsetter for popular culture, and the most militarily capable force in the world. Underpinning our soft and hard power assets is our unwavering commitment to human rights and democracy. Adherence to those principles is our strongest trait as a nation.

However, our strength cannot be a substitute for cooperation. The rapid emergence of transnational security challenges demands collective action. In fact, working with allies and partners is critical to solving some of the most pressing challenges of the 21st century. Nowhere is this truer than in the Asia-Pacific region.

The mutual importance of the ties between Asia-Pacific countries and the United States is most apparent in our economic relationships. The region is home to almost one-third of the Earth's population. The Asia-Pacific region is a key driver for technological innovation and accounts for almost one-third of global GDP. Moreover, trade with Asia is increasing faster than any other region in the world. In fact, the United States exports more merchandise to Asia than it does to the

European Union, and nearly as much as it does through the North American Free Trade Agreement. American and Asian economies are growing increasingly interdependent while forging the global economic recovery. Free trade and robust economic engagement will remain a critical pillar for our strategic engagement in the Asia-Pacific region.

Despite significant economic growth and vitality, the Asia-Pacific region is home to many of the most pressing security challenges of the modern era. What is often absent in our discussion about the “Asian miracle” are the challenges posed by uneven growth, poverty, and weak and ineffective governments. Hundreds of millions have yet to benefit from the fruits of the Asian miracle, and income inequality continues to strain the capacity of governments to provide for their citizens. Compounding these challenges is the proliferation of weapons of mass destruction, extremist groups in Southeast Asia, unresolved territorial disputes, and growing competition over energy and natural resources. Perhaps the most significant unintended consequence of the Asian miracle has been the acceleration of greenhouse gas emissions into the atmosphere and its resulting effects on the global climate. Asia’s densely populated littoral nations will likely suffer as climatic variations trigger ever more intense natural disasters in the region.

The severity and transnational nature of these challenges demand united action and American leadership. They also indicate the need for America to enhance, deepen, and sustain our engagement to seize opportunities and minimize risk.

Renewed Engagement Generates Results – Let me now take this opportunity to briefly list the steps we have undertaken over the course of 2009 and the first few months of this year to broaden U.S. engagement in the region.

First, we have reengaged in the region through visits of our senior leadership and attendance at high-level meetings. At the end of March, President Obama will be making his second trip to the region. He will visit Guam and spend some time with our service members stationed there, and then travel to Indonesia and Australia to strengthen and deepen our bilateral relationships with those countries.

That trip is one of a series of visits and initiatives that the Administration has undertaken in Asia. In November 2009, President Obama spent 10 days visiting Japan, Singapore, China, and South Korea, strengthening U.S. leadership and economic competitiveness in the region, renewing longstanding alliances, and forging new partnerships. Upon his return to Washington, he also hosted Prime

Minister Manmohan Singh of India for the first official State visit of his administration – underscoring the importance of the U.S.-India relationship “for peace, stability and prosperity in Asia, and for the betterment of the world.”

President Obama’s November trip also included participation in the 17th Annual Asia-Pacific Economic Cooperation (APEC) Leaders’ meeting in Singapore— an important forum for U.S. trade since APEC members account for 53 percent of global GDP, purchase 58 percent of U.S. goods exports, and represent a market of 2.7 billion consumers. Our participation has produced concrete results that further U.S. strategic and economic interests. APEC Leaders endorsed the Pittsburgh G-20 principles and agreed to implement the policies of the G-20 Framework for Strong, Sustainable, and Balanced Growth, further expanding the global commitment to achieve more balanced growth that is less prone to destabilizing booms and busts. They also put forward a strong statement of support for concluding the Doha Round in 2010, and agreed to reject all forms of protectionism. In addition, Leaders’ continued to work to break down long-standing trade and investment barriers that have slowed economic integration in the Asia-Pacific region. Specifically, they agreed on core principles to promote cross-border services trade that will provide a strong basis for our efforts to facilitate and promote trade in services in the Asia-Pacific region.

Leaders also focused on eliminating obstacles to the flow of goods through supply chains, and simplifying rules of origin documentation and procedures. Leaders’ pledged to make growth more inclusive through APEC initiatives that will support development of small and medium enterprises, facilitate worker retraining, and enhance economic opportunity for women. Finally, Leaders’ took steps to ensure environmentally sustainable growth in the region by agreeing on an ambitious plan to address barriers to trade and investment in environmental goods and services. President Obama also co-hosted the Association of Southeast Asian Nations (ASEAN) Leaders Meeting, the first ever with all 10 ASEAN members represented, clearly demonstrating renewed U.S. engagement with Southeast Asia.

Under the leadership and guidance of President Obama, Secretary Clinton, and Secretary Geithner, we hosted the first U.S.-China Strategic and Economic Dialogue in July of 2009, and we have agreed to hold the next round in Beijing. The dialogue set a positive tone for the U.S.-China relationship and allowed us to define a broad agenda, while underscoring challenges and opportunities in U.S.-

China relations. The agenda for the upcoming dialogue is comprehensive in scope and forward-looking in vision.

Secretary Clinton's February 2009 trip included the first visit of a Secretary of State to the ASEAN Secretariat in Jakarta, Indonesia. Her July trip included meetings with regional foreign ministers at the ASEAN Regional Forum (ARF) in Thailand and the signing of the Treaty of Amity and Cooperation (TAC) with ASEAN members, the launch of the Lower Mekong Initiative and the Secretary's announcement of the intent to establish a new U.S. Mission to ASEAN. Her November visits to the Philippines, Singapore, and China included attendance at APEC Ministerial meetings and consultations with allies and regional partners that further solidified relationships and deepened U.S. multi-lateral engagement. In January of this year, Secretary Clinton gave a major policy speech that outlined principles for U.S. engagement with Asia's multilateral organizations, with a particular focus on developing their capacity for problem solving. The pace of our engagement with the region signals the renewed emphasis we place on developing partnerships in this critical region.

However, high-level visits and dialogues are only one aspect of our revitalized commitment to the region. Let me now turn to another area of renewed engagement: Burma. As you are well aware, the Administration's formal review of U.S. policy towards Burma reaffirmed our fundamental goals: a democratic Burma at peace with its neighbors that respects the rights of its people. A policy of pragmatic engagement with the Burmese authorities holds the best hope for advancing this goal. Under this approach, U.S. sanctions will remain in place until Burmese authorities demonstrate that they are prepared to make meaningful progress on U.S. core concerns. The leaders of Burma's democratic opposition have confirmed to us their support for this approach. I visited Burma on November 3 and 4 for meetings with Burmese officials, including Prime Minister Thein Sein, leaders of the democracy movement, including Aung San Suu Kyi, and representatives of the largest ethnic minorities. In my meetings, I stressed the importance of the release of political prisoners and emphasized that a dialogue on reform with all stakeholders is essential if the elections planned for 2010 are to have any credibility.

This year we also have the opportunity to further strengthen our cooperation with our Pacific partners. I want to underscore the Obama Administration's commitment to stepping up our engagement with Australia, New Zealand, and the

Pacific. At the end of this month, as I previously stated, President Obama will visit Australia and Guam. He will seek to expand and deepen our bilateral alliance relationship with Australia. This is one of our strongest alliances in the region and in the world. Australia works with us pursuing common objectives on issues ranging from Afghanistan, where they are the largest non-NATO contributor, and helping counter proliferation of WMD. In Guam, the President will visit our troops and meet the Governor to discuss ways to revitalize the economy while protecting the environment.

Secretary Clinton is also dedicated to increasing our engagement in the Pacific. She entered office with a deep appreciation of the commitment and the sacrifices that the Pacific Island peoples have made for the United States. From American Samoa and Tonga's commitment to supporting military operations in Afghanistan and Iraq to the islands' support for the U.S. and the international community in the United Nations General Assembly, we see clear strategic alignment between Washington and the diverse and expansive Pacific Island nations. The Secretary's upcoming trip to the Pacific will build on her meeting with Pacific Island leaders in September of 2009 in New York at the UN General Assembly, when all parties committed to work together to address climate change and other transnational issues. The U.S. Permanent Representative to the United Nations, Ambassador Susan Rice, continues this effort, meeting regularly with her Pacific Island counterparts to share views and build cooperation on key issues before the United Nations.

Within weeks of assuming my current responsibilities as Assistant Secretary of State for East Asian and Pacific Affairs, I also traveled to Cairns, Australia to represent the United States at the Pacific Island Forum's Post Forum Dialogue of key partner countries and institutions. Australian Prime Minister Kevin Rudd chaired the proceedings, which focused on improving the coordination and effectiveness of development assistance efforts with assistance partners in the region. At the same time, we continue to undertake steps to further enhance our relationship with New Zealand and look forward to pursuing a forward looking agenda for the relationship.

U.S. Strategic Framework for Engagement in the Asia-Pacific Region – The Asia-Pacific region is of vital and permanent importance to the United States and it is clear that countries in the region want the United States to maintain a strong and active presence. Our policy will ensure that the United States acts as a resident

power and not just as a visitor, because what happens in the region has a direct effect on our security and economic well-being.

Over the course of the next few decades climate change, proliferation of weapons of mass destruction, and widespread poverty will pose the most significant challenges to the United States and the rest of the region. These challenges will continue to be highly acute in East Asia. This situation demands that the United States play a leading role, including by strengthening and broadening our alliances, building new partnerships, and enhancing capacity of multilateral organizations. Fundamental to this approach to regional challenges will be continued encouragement of China to be a force for regional stability, security, and prosperity and its continued integration into the international system. A forward-looking U.S. strategy that builds on these relationships and U.S. strengths as a democracy and an incumbent power in the Asia-Pacific is essential to manage both regional and global challenges.

With the positive outcomes of our renewed engagement as a backdrop, I would like to discuss a series of axioms that will continue to guide our efforts. Intrinsic to our engagement strategy is an unwavering commitment to American values that have undergirded our foreign policy in modern history.

It is precisely because of the emergence of a more complex world that Secretary Clinton detailed the five principles for how we view the Asia-Pacific multilateral architecture and U.S. involvement. These include the foundation of the U.S. alliance system and bilateral partnerships, building a common regional economic and security agenda, the importance of result-oriented cooperation, the need to enhance the flexibility and creativity of our multilateral cooperation, and the principle that the Asia-Pacific's defining institutions will include all the key stakeholders such as the United States. The five strategic precepts guide the Obama administration's engagement in East Asia and the Pacific.

For the last half century, the United States and its allies in the region – Japan, the Republic of Korea, Australia, the Philippines, and Thailand – have maintained security and stability in East Asia and the Pacific. Our alliances remain the bedrock of our engagement in the region, and the Obama Administration is committed to strengthening and modernizing our alliances to address both continuing and emerging challenges. And, we must recognize that those alliances are, at their core, security alliances. Major multilateral exercises, such as the

recent Cobra Gold exercise co-hosted with Thailand, are tangible examples of the enduring value of our alliances by continuing to provide opportunities to improve force readiness and advance political and military objectives with our partners in Asia.

Our security relationships are particularly important in East Asia where traditional balance-of-power calculations still animate inter-state relations. The United States must maintain a forward-deployed military presence in the region that both reassures friends and reminds others that the United States will remain the ultimate guarantor of regional peace and stability. There should be no mistake: the United States is firm in its resolve to uphold its treaty commitments regarding the defense of its allies.

Our treaty alliance with Japan is a cornerstone of our strategic engagement in Asia. This year marks the 50th anniversary of the U.S.-Japan alliance and offers a unique opportunity to chart a forward-looking vision for the alliance in partnership with a new government in Tokyo. We share Prime Minister Hatoyama's assessment that the "The U.S.-Japan security arrangements continue to be indispensable not only for the defense of Japan alone, but also for the peace and prosperity of the entire Asia-Pacific region." The U.S.-Japan relationship is both strong and comprehensive; it links the world's two largest economies and is supported by our people-to-people exchanges and our shared commitment to democracy and human rights.

The U.S. and Japan are now conducting unprecedentedly open and direct discussions on a number of important alliance issues. Some have taken the fact of this candid dialogue between allies as suggesting that the relationship is in trouble: This is not the case. In fact, a recent poll in Japan showed 86 percent support for Japan's relationship with America --- the highest number in the history of the alliance. Claims that the election of the Democratic Party of Japan will undermine the U.S.-Japan alliance are false. Our vigorous engagement to address complex and sensitive issues is strengthening not weakening the relationship.

One of the most reported areas of discussion between the U.S. and the Japanese government revolves around the roadmap for realigning U.S. forces in Japan -- specifically the Futenma Replacement Facility (FRF) on Okinawa.

The Guam International Agreement, signed by Secretary Clinton during her February 2009 trip, carried the transformation of the Alliance to the next stage. As

part of our ongoing efforts to assist the Government of Japan with its review of the FRF Agreement, a high-level working group met in Tokyo in November and December, and the Government of Japan is continuing its review with a view to reaching a satisfactory conclusion in May. I also had very detailed consultations in Tokyo in February of this year, and will return there later this month in support of the expeditious resolution of the FRF.

In addition to seeking resolution of these specific basing issues, we are working to create a more durable and forward-looking vision for the alliance that builds upon Japan's important global role in several areas, including climate change and humanitarian and development assistance programs, to name a few.

We are also working vigorously with our other critical ally in Northeast Asia, the Republic of Korea, both to modernize our defense alliance and jointly to achieve a partnership that is truly global and comprehensive. This year marks the 60th anniversary of the start of the Korean War – the scars of which are still visible today. As we reflect upon the last 60 years, we have been fortunate to build a strong and enduring alliance relationship with South Korea. The United States remains steadfastly committed to the defense of the Republic of Korea and to an enduring military presence on the Peninsula. The relationship also continues to evolve from one solely focused on peninsular challenges to one that is also playing an increasingly important role in the international arena. Building on the Joint Vision Statement articulated last June by President Obama and President Lee Myung-bak, we are committed to creating a more dynamic relationship that builds on our shared values and strategic interests. We are also supportive of Korea's ongoing efforts to play a more significant role in global affairs. Just recently the ROK agreed to send some 200-plus peacekeeping forces to Haiti and will deploy a Provincial Reconstruction Team to Afghanistan in the coming months. We look forward to the Republic of Korea's hosting of the 2010 G-20 Leaders Meeting in November in South Korea.

Japan and the Republic of Korea have been key partners in our joint efforts to maintain peace and stability in Northeast Asia and, in particular, to denuclearize North Korea through the Six-Party process. The process suffered serious setbacks in 2009 when North Korea abandoned negotiations, abrogated its agreements, and carried out a series of provocations, including its April 5 missile test and its May 25 announcement of a second nuclear test. As President Obama said, North Korea's actions blatantly defied U.N. Security Council resolutions and constitute a

direct and reckless challenge to the international community, increasing tension and undermining stability in Northeast Asia. However, the international community's unified response to North Korea's provocations is another example of the fruits of U.S. engagement in the Asia-Pacific region. The U.N. Security Council, led by the Five-Party partners, unanimously condemned the DPRK's actions and passed UNSCR 1874, introducing tough sanctions against North Korea's weapons and proliferation finance networks. We welcomed Thailand's subsequent seizure of North Korean weapons in December 2009, in support of UNSCR 1874.

In our effort to promote a peaceful resolution of the North Korean nuclear issue, and in close coordination with our partners in the talks, the United States sent U.S. Special Representative for North Korea Policy Ambassador Stephen Bosworth to Pyongyang on December 8 for discussions with North Korean officials about the nuclear issue. In these discussions, the DPRK acknowledged the importance of the Six-Party Talks and reaffirmed the September 2005 Joint Statement on the verifiable denuclearization of the Korean Peninsula in a peaceful manner. They did not, however, reach agreement on when and how North Korea will return to Six-Party Talks, a matter that U.S. officials discussed in Tokyo, Seoul and Beijing just last week. Denuclearization of the Korean peninsula remains at the core of our efforts to assure peace and stability in the region.

Another component of our effort is building a relationship with China that is positive, cooperative, and comprehensive. I think those of us who work on the China account on a daily basis understand that we have differences over issues such as human rights, intellectual property rights, and the transparency of China's military modernization programs. Most recently, Beijing has voiced concerns about the Administration's decision to pursue the sale of defensive armaments to Taiwan as authorized by the 1979 Taiwan Relations Act and about President Obama's and Secretary Clinton's recent meetings with the Dalai Lama. Nonetheless, as Secretary Clinton has noted, "With China, we seek areas of common purpose while standing firm where we differ."

I am confident that U.S. and Chinese leaders will continue to work together on a number of important initiatives. We will need to persist in addressing these issues of disagreement through frank dialogue, eliciting Chinese cooperation on areas of mutual concern while directly addressing differences. To this end, we look forward to co-chairing the next round of the Strategic and Economic Dialogue in

Beijing where will pursue progress on a number of important global issues. As Secretary Clinton has stated, our relationship with China is mature enough to handle differences of opinion while continuing to work together on issues of shared and long-term significance to the security and prosperity of both countries.

We need to recognize Asia's importance to the global economy. Close U.S.-Asian economic cooperation is vital to the well-being of the U.S. and international economic order. However, as President Obama noted in his recent trip to the region, "We simply cannot return to the same cycles of boom and bust that led us into a global recession." The United States and Asia need to emphasize balanced growth and trade.

Today, the 21 APEC economies purchase almost 60 percent of U.S. goods exports. It is worth highlighting that four of these Asia-Pacific economies (China, Japan, the Republic of Korea, and Taiwan) are now among our top-twelve trading partners. And, taken as a group, ASEAN is also a large and critical trading partner and represents our fourth largest export market. Strong Asian participation in APEC, the WTO, and the G-20 reflects the increasing importance of Asian economies and their centrality to strengthening the multilateral trading system and sustaining our economic recovery.

While our economic relationships with APEC countries are strong, we cannot be complacent. Indeed, despite strong export growth to the Asia-Pacific, the United States' share of the total trade in the region has declined by 3 percent in the past five years. We must ensure our competitiveness in this vital region and promote continued integration of the U.S. economy with APEC economies, which will benefit workers, consumers, and businesses in the region and create jobs back here in the United States. To do so, the Administration will continue to work with the Congress, stakeholders, and the Republic of Korea to work through outstanding issues of concern so we can move forward on our bilateral free trade agreement. In addition to the significant potential economic benefits it can generate, moving this agreement forward is also a crucial part of solidifying and updating our bilateral alliance with South Korea. Strategically, it can be a way to reinforce our economic engagement and leadership in the region, enhancing U.S. credibility.

We also will begin negotiations later this month of a high-standard, regional, Asia-Pacific trade agreement, known as the Trans-Pacific Partnership. This agreement will create a platform for economic integration across the Asia-Pacific region,

advance U.S. economic interests to the fastest-growing economies in the world, and help create and retain high-paying, high-quality jobs in the United States. We look forward to working in partnership with Congress as we establish the negotiating objectives for this agreement.

And, in 2011, the United States will host APEC for the first time in 18 years, providing us with unique opportunities to demonstrate our commitment to and engagement in the region, shape the organization's agenda in ways that reflect our values, and support the competitiveness of U.S. businesses and workers in this dynamic region. Through APEC, we will continue to advance regional economic integration, and by reducing barriers to trade and investment in the region, increase U.S. exports and support jobs at home.

The U.S. commitment to democracy and the protection of human rights is an intrinsic and indispensable aspect of our character as a nation and our engagement in the Asia-Pacific region. Let me be clear, the promotion of democracy and human rights is an essential element of American foreign policy. It is part of who we are as a people. We believe human rights are not only core American values, but also universal values. These values are a force multiplier in a region where democratic norms are on the ascent. We believe that citizens around the world should enjoy these rights, irrespective of their nationality, ethnicity, religion, or race. The United States will continue to speak for those on the margins of society, encouraging countries in the region to respect the internationally recognized human rights of their people while undertaking policies to further liberalize and open their states. As President Obama said in his speech on the way forward in Afghanistan and Pakistan, "We must promote our values by living them at home." President Obama has eloquently stated that our willingness to speak out on human rights and other democratic values is the source of our moral authority and courage.

In order to ensure that the promotion of human rights and the rule of law as well as the development of civil society remain strong pillars of our engagement, we will continue to adopt new and creative approaches that seize the opportunities of a dynamic information age. The freedom to speak one's mind and to choose one's leaders, the ability to access information and worship how one pleases are the bases of stability. We need to reassure our partners in the region that we will always stand on the side of those who pursue those rights.

Fortunately, democratic governance is rapidly developing within Asia; advancing human rights, freedom, and democracy is critical to alleviating poverty and conditions that catalyze extremism. Sustained economic growth requires governments that are transparent, non-corrupt, and responsive to the needs of their people. Our strategy is to maintain pressure on local decision-makers to improve governments' human rights records while cooperating closely with international and non-governmental organizations involved in monitoring and reporting on human rights. It is encouraging to see the emergence of institutions like the Bali Democracy Forum and other civil society groups in recent years, which proves that these values are shared and not, as some have charged in the past, a matter of the United States imposing its values on the region. Promoting good governance helps institutionalize our progress in helping to protect human rights.

East Asia's economic dynamism, increasing integration, and geostrategic significance are fostering a trend toward establishment of regional institutions and greater regional integration. This integration is catalyzed by the proliferation of Asian-based free trade agreements and enhanced bilateral interactions from India to Japan. In many ways understanding Asia through conceptual categories of "Southeast" and "Northeast" Asia is increasingly insufficient. For one thing, transnational security challenges – like climate change and proliferation of weapons of mass destruction – transcend sub-regions. Asia is also integrating and developing a complex array of regional organizations – like ASEAN, the ASEAN Regional Forum (ARF), and the East Asia Summit– that offers Asian nations a platform for regional policy discussions and deliberations.

Although the United States does not need to belong to every Asian organization, we do need to carefully consider how to engage with those that could promote American interests and values. As the Asia-Pacific region evolves, so should our own approach to regional economic and security cooperation. In January of this year, Secretary Clinton delivered a major address at the East-West Center in Honolulu that described the blueprint for how America will engage the Asia-Pacific's multilateral organizations, *i.e.*, its "architecture." In her speech, she emphasized the need to develop the capacity of organizations to make them more solution oriented, make our approaches more flexible, and develop a common agenda – all utilizing our alliances and partnerships as a basis from which to define and to achieve common goals. We are consulting with allies and partners in the region and with Congress on how the United States, working with our Asian counterparts, can engage with and shape the region's evolving multilateral bodies.

Strong links to key regional institutions in Asia can help ensure that the United States remains a critical partner in this dynamic region. As the Secretary stated, the defining institutions of the Asia-Pacific region should include the United States and all key stakeholders.

Regional engagement can also be an effective way to enhance our efforts to deal with transnational security challenges such as climate change, pandemics, or environmental degradation. For example, actions by APEC, ASEAN, and increasingly by ARF to improve cooperation among regional emergency management agencies are important in light of the spate of recent natural disasters that have battered the region. The United States has assisted these efforts, including by providing training to ASEAN disaster management officials and fostering the creation of regular ARF disaster relief exercises. Multilateral efforts – those with and without the United States – are also proving effective in addressing transnational threats, such as terrorism, piracy that threatens our sea lanes and traffickers who exploit women, children, laborers, and migrants. Working with ASEAN, the U.S. will seek to streamline and strengthen the broader ASEAN Regional Forum's institutional processes in order to create a more action-oriented agenda, especially with respect to transnational and non-traditional security challenges.

Conclusion

The Asia-Pacific region is vital not only to U.S. regional interests but its global ones as well. We are a vital contributor to the region's security and economic success. The Asia-Pacific region, in turn, has a profound impact on our lives through trade, our alliances, and partnerships. As the region continues to grow economically and as new dynamics and international institutions take shape, the United States will be an active player, not a distant spectator.

The United States faces a number of critical challenges in the coming years in its engagement with Asia. These include rising and failing states; proliferation of weapons of mass destruction; critical global issues like climate change, violent extremism in some parts of Southeast Asia; poverty and income disparity; and military imbalances in Northeast Asia. The essential ingredient in meeting these challenges is United States leadership. We are both willing and able to play an active role in helping the countries of the region enhance their capacity to succeed.

Under President Obama and Secretary Clinton's leadership, we are ready to face these challenges. We look forward to working with Congress and this Committee to seek opportunities to influence positively the future direction of the region.

Thank you for extending this opportunity to me to testify today on this vitally important issue. I am happy to respond to any questions you may have.